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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA – SAN JOSE DIVISION

In re ACACIA MEDIA TECHNOLOGIES CORPORATION	Case No. C-05-01114 JW **[PROPOSED] ORDER GRANTING DEFENDANTS' MOTION FOR PARTIAL SUMMARY JUDGMENT OF INVALIDITY AND NONINFRINGEMENT OF ALL CLAIMS OF THE '702 PATENT**

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I. INTRODUCTION

Defendants[1] have moved for summary judgment of invalidity for indefiniteness of all claims of U.S. Patent 6,144,702 ("the '702 patent"), and for summary judgment of noninfringement of all claims the '702 patent. Upon consideration of the papers filed in support of and in opposition to Defendants' motion for summary judgment, and the arguments of counsel in connection therewith, as well as the relevant papers and pleadings in this action, this Court GRANTS Defendants' motion.

II. BACKGROUND

On July 12, 2004, this Court issued a *Markman* order, tentatively holding that the terms "identification encoder" and "sequence encoder" in the '702 patent are indefinite. The Court also held that the term "transmission system at a first location" means "a transmission system at one particular location separate from the location of the reception system."

After this case was placed under multi-district assignment, the Court invited all parties to submit briefs for reconsideration of any of the claim terms which the Court had construed. Acacia moved this Court to reconsider its tentative conclusion that "sequence encoder" and "identification encoder" are indefinite. The parties submitted briefs and declarations by proffered experts, Andrew B. Lippman, S. Merrill Weiss, and Peter Alexander, on the meaning, or lack thereof, of "sequence encoder" and "identification encoder." On September 8 and 9,

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[1] The following Defendants moved for partial summary judgment of invalidity and noninfringement of the '702 patent: Comcast Cable Communications LLC; Insight Communications, Inc.; EchoStar Satellite LLC; EchoStar Technologies Corp.; The DIRECTV Group, Inc.; Cable One, Inc.; Mediacom Communications Corporation; Bresnan Communications; Cequel III Communications I, LLC (dba Cebridge Connections); Charter Communications, Inc.; Armstrong Group; Block Communications, Inc.; East Cleveland Cable TV and Communications LLC; Wide Open West Ohio LLC; Massillon Cable TV, Inc.; Mid-Continent Media, Inc.; US Cable Holdings LP; Savage Communications, Inc.; Sjoberg's Cablevision, Inc.; Loretel Cablevision; Arvig Communications Systems; Cannon Valley Communications, Inc.; NPG Cable, Inc.; Coxcom, Inc.; Hospitality Network, Inc.; Ademia Multimedia LLC, ACMP, LLC, AEBN, Inc., Audio Communications, Inc., Club Jenna, Inc., Cyber Trend, Inc., Cybernet Ventures, Inc., Game Link, Inc., Global AVS, Inc., Innovative Ideas International, Lightspeed Media Group, Inc., National A-1 Advertising, Inc., New Destiny Internet Group LLC; VS Media, Inc.; ICS, Inc.; AP Net Marketing, Inc.; International Web Innovations, Inc.; and Offendale Commercial BV, Ltd. The Court uses the term "Defendants" in

2005, the Court conducted hearings and heard extensive testimony from Mr. Weiss. Acacia also moved for reconsideration of this Court's construction of "transmission system at a first location."

On December 7, 2005, the Court reaffirmed its findings that "sequence encoder" and "identification encoder" are indefinite, and on that basis held that the independent claims of the '702 patent, claims 1, 17, and 27, as well as dependent claim 32, are invalid. The Court also reaffirmed its ruling that the term "transmission system at a first location" means "a transmission system at one particular location separate from the location of the reception system." With respect to the remaining dependent claims of the '702 patent, the Court invited further briefing on the effect of its finding that the terms "sequence encoder" and "identification encoder" are indefinite.

On January 20, 2006, *Acacia* filed a motion for partial summary judgment of *in*validity and *non*infringement of the '702 patent. In that motion, Acacia conceded that the Court's indefiniteness rulings, if upheld on appeal, will render all claims of the '702 patent invalid. Further, Acacia conceded that if the Court's construction of "transmission system at a first location" is upheld on appeal, Acacia could not prove that Defendants infringe the '702 patent. Acacia stated:

> The effect of this Court's finding that the term 'sequence encoder' in claims 1, 17, 18, and 32 is indefinite and finding that the term 'identification encoder' in claims 1, 17, and 27 is indefinite, if upheld on appeal, would be to render **all of the claims of the '702 patent (1-42) indefinite, and therefore invalid, under 35 U.S.C. § 112, ¶ 2**. Further, the effect of the Court's construction of the phrase "transmission system at a first location" in Claims 1, 17 and 27 of the '702 patent as meaning "a transmission system at one particular location separate from the location of the reception system," if upheld on appeal, would be to render **all of the claims of the '702 patent (Claims 1-42) not infringed by the transmission systems made, used, or sold by the defendants in this case**.

Acacia's Jan. 20, 2006 Mem. at 2:6-15 (emphases added). Accordingly, Acacia requested that the Court enter partial summary judgment of invalidity and noninfringement against it, and in favor of the Defendants, as to all claims of the '702 patent, and further requested that the Court

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this Order to refer to these parties.

certify that judgment under Federal Rule of Civil Procedure 54(b).

On February 3, 2006, the Court asked for clarification of Acacia's motion. In response, Acacia confirmed that it was indeed moving for entry of partial summary against itself, on the grounds that all of the claims of the '702 patent are invalid as indefinite, and not infringed by Defendants. *See* Acacia's February 13, 2006 Mem. At the hearing on February 24, 2006, Acacia's counsel confirmed once again that, under the Court's *Markman* ruling, there is no dispute that all claims of the '702 patent are both invalid and not infringed. *See* Feb. 24, 2006 Transcript ("Tr.") at 6:22–8:16; 14:17–15:22; 28:7-9.

The Court did not grant summary adjudication at the February 24, 2006 hearing, however, because after the Court declined to certify such a judgment under Rule 54(b), Acacia withdrew its request for entry of the judgment. Tr. at 36:16–41:14. Defendants have now moved for summary judgment of invalidity and noninfringement of the '702 patent.

III. STANDARDS

"Judgment shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and *admissions on file*, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law." *Id.* at 1571 n.3 (emphasis added); Fed. R. Civ. P. 56(c). Admissions made in briefs, or at oral argument, by the party against whom summary judgment is sought are treated as "admissions on file" within the meaning of Rule 56(c). *See, e.g.*, 10A CHARLES ALAN WRIGHT, ARTHUR R. MILLER & MARY KAY KANE, FEDERAL PRACTICE & PROCEDURE § 2723 at 390-91 (1998) ("Admissions in the brief of the party opposing the motion may be used in determining that there is no genuine issue as to any material fact . . . since they are functionally equivalent to 'admissions on file'. . . .") (citing cases); *United States v. One Heckler-Koch Rifle*, 629 F.2d 1250, 1253 (7th Cir. 1980); *United States v. Dooley*, 424 F.2d 1067, 1067-68 (5th Cir. 1970).

IV. DISCUSSION

Acacia has repeatedly admitted that the effect of this Court's ruling that the terms "sequence encoder" and "identification encoder" are indefinite is to render all of the claims of the ‘702 patent invalid for indefiniteness. *See, e.g.,* Acacia’s February 13, 2006 Mem. at 1:12-14; 1:22–2:2; Acacia’s Jan. 20, 2006 Mem. at 2:6-10; Tr. at 6:22–7:9; *Id.* at 14:17-24. Acacia has also repeatedly admitted that, under this Court’s construction of “transmission system at a first location,” the Defendants’ accused products “do not infringe the ‘702 patent,” and that Acacia “could not prove infringement.” See, e.g., Acacia’s February 13, 2006 Mem. at 2:10-11; Tr. at 7:10-23; see also Acacia’s Jan. 20, 2006 Mem. at 2:10-15; Tr. at 15:4-14. Because Acacia’s “admissions on file” establish that Defendants are entitled to judgment as a matter of law on both these issues, the Court grants partial summary judgment of invalidity and noninfringement in favor of Defendants as to all claims of the ‘702 patent. *See* Fed. R. Civ. P. 56(c); *One Heckler-Koch Rifle*, 629 F.2d at 1253; *Dooley*, 424 F.2d at 1067-68.

Further, the Court grants partial summary judgment of invalidity as to all claims of the ‘702 patent because the Court agrees with Acacia and Defendants that this is the effect of its ruling that the terms “sequence encoder” and “identification encoder” are indefinite. *See, e.g., Datamize, LLC v. Plumtree Software, Inc.*, 417 F.3d 1342, 1356 (Fed. Cir. 2005) (finding dependent claims invalid because independent claim contained indefinite term).

V. ORDER

Accordingly, the Court GRANTS Defendants’ motion, and ORDERS as follows:

1. The Court hereby enters partial summary judgment of invalidity for indefiniteness in favor of the Defendants listed in footnote 1 of this Order as to all claims of U.S. Patent 6,144,702; and

2. The Court hereby enters partial summary judgment of noninfringement in favor of the Defendants listed in footnote 1 of this Order as to all claims of U.S. Patent 6,144,702.

IT IS SO ORDERED.

Dated:

By: ____

JAMES WARE
United States District Judge